

# EIB-20230145 JORDAN WATER SECURITY AND CLIMATE ADAPTATION



#### **Quick Facts**

| Countries               | Jordan  |
|-------------------------|---|
| Financial Institutions  | European Investment Bank (EIB)                          |
| Status                  | Approved  |
| Bank Risk Rating        | U   |
| Voting Date             | 2024-07-18  |
| Borrower                | Government of Jordan - Ministry of Water and Irrigation |
| Sectors                 | Water and Sanitation                                    |
| Investment Type(s)      | Loan  |
| Investment Amount (USD) | \$ 490.52 million                                       |
| Project Cost (USD)      | \$ 1,090.04 million                                     |



#### **Project Description**

According to the Bank's website, the current Results-Based Loan (RBL) will finance small scale investments aiming to reduce Non-Revenue Water (NRW), increase water supply and improve sanitation services throughout Jordan.

The aim is to improve water security and climate adaptation, in line with the Government of Jordan's National Water Strategy, Non-Revenue Water Strategy and Financial Sustainability Roadmap by applying Results-based financing.

The Results Based Loan (RBL) will support the development of water supply infrastructure across several governorates in Jordan in support of the Jordanian Government's National Water Strategy. The Promoter of this RBL is the Ministry of Water and Irrigation (MWI). A Delivery Unit (DU) in MWI will be overseeing the implementation of the RBL and will plan, supervise, manage, and monitor its implementation. Investments will be implemented in line with relevant national legislation and in accordance with the EIB's social and environmental standards by four Implementing Agencies: (i) the Water Authority of Jordan (WAJ), (ii) Miyahuna Water Company (MWC) for the central areas, including greater Amman, (iii) Yarmouk Water Company (YWC) in the north, and (iv) Agaba Water Company (AWC) in the south.

This loan will finance investments in four Results Areas (RAs):

- 1. Reducing Non-Revenue Water (NRW) across water utilities in Jordan;
- 2. Increasing sustainable water supply;
- 3. Enabling operational efficiency; and
- 4. Increasing service levels of water and sanitation customers across Jordan.

#### **Early Warning System Project Analysis**

The schemes are expected to have minor negative environmental impacts during construction and no negative residual impacts in the operational phase. The schemes are not likely to have negative impacts on nature conservation areas.

The main social risks identified are related to small to moderate scale civil works proposed under the envelope for reducing physical losses, across the large geographic scope of the Project. These include the rehabilitation of existing distribution pipes and household water connections; the construction of reservoirs; works to replace water pumps within existing water pumping stations or new ones, trunk lines, rehabilitation of wells etc.

The small to moderate scale type of works proposed are likely to cause temporary and limited to occupational and community health and safety impacts. These could include:

- · Road safety (traffic accidents), fall at deep excavations, and falling of lifted objects, noise, and dust.
- Traffic public disturbance should be kept at a minimum as construction activities are expected to be short and confined in space.
- Risk of communicable transmittal diseases due to the recruitment of migrant workers. This risk is already taken into account by the country's existing system related to construction permits and will be addressed within the mitigation measures foreseen for the Project.
- Socio-economic and hygiene impacts from water service disruption, especially if the works are not properly coordinated with stakeholders such as municipalities and utilities.

In addition, rehabilitating household connections has the potential to create low/moderate social tensions or exclusions if areas or neighbourhoods are not selected in an equitable and transparent manner or for the disconnection of illegal connections.

Land acquisition may be required on a temporary or permanent basis, depending on the specific rehabilitation needs. Impacts related to land acquisitions (economic displacement) will be assessed during the implementation phase of each scheme, when detailed designs will be available. Activities triggering physical displacement will not be eligible for financing under the EIB loan.

The potential chance finding of cultural heritage resources during excavation activities is limited to governorates that have rich archaeological heritage sites such as Amman and Jerash.



### **Investment Description**

• European Investment Bank (EIB)

A loan under EFSD+ Guarantee.



#### **Private Actors Description**

Aqaba Water Company is a water utility company in Aqaba, Jordan

Miyahuna LLC is a national company fully owned by the Jordanian government, represented by the Water Authority of Jordan.

Yarmouk Water Company is a national limited liability company wholly owned by the Jordan Water Authority.





| Private Actor 1 | Private Actor<br>1 Role | Private Actor<br>1 Sector | Relation | Private Actor 2       | Private Actor<br>2 Role | Private Actor<br>2 Sector |
|-----------------|-------------------------|---------------------------|----------|-----------------------|-------------------------|---------------------------|
| -               | -                       | -                         | -        | Aqaba Water Company   | Client                  | -                         |
| -               | -                       | -                         | -        | Miyahuna LLC          | Client                  | -                         |
| -               | -                       | -                         | -        | Yarmouk Water Company | Client                  | -                         |



#### **Contact Information**

No contacts available at the time of disclosure.

#### ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm

#### ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: complaints@eib.org, by completing the online complaint form available at the following address: http://www.eib.org/complaints/form via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check:

http://www.eib.org/attachments/strategies/complaints mechanism policy en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces





#### **Bank Documents**

- Environmental and Social Data Sheet (ESDS) JORDAN WATER SECURITY AND CLIMATE ADAPTATION
- Project data sheet(s) JORDAN WATER SECURITY AND CLIMATE ADAPTATION